Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				on **CLEC's connecting block is not available at the time of installation. Verizon shall bill **CLEC, and **CLEC shall pay to Verizon, the Not Ready Charge set forth in the Pricing Attachment and the Parties shall establish a new cutover date. Verizon may install a new House and Riser Cable subject to the time and material charges set forth in the Pricing Attachment. 6.5 Verizon shall perform all installation work on Verizon equipment. All **CLEC equipment connected to a House and Riser Cable shall comply with applicable industry standards. 6.6 Verizon shall repair and maintain a House and Riser Cable at the request of **CLEC and subject to the time and material rates set forth in the Pricing Attachment. **CLEC shall be solely responsible for investigating and determining the source of all troubles and for providing Verizon with appropriate dispatch information based on its test results. Verizon shall repair a trouble only when the cause of the trouble is a Verizon House and Riser Cable. If (a) **CLEC reports to Verizon a Customer trouble, (b) **CLEC requests a dispatch, (c) Verizon dispatches a technician, and (d) such trouble was not caused by a Verizon House and Riser Cable in whole or in part, then **CLEC shall pay Verizon the charge set forth in the Pricing Attachment for time	

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Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				associated with said dispatch. In addition, this charge also applies when the Customer contact as designated by **CLEC is not available at the appointed time. If as the result of **CLEC instructions, Verizon is erroneously requested to dispatch to a site on Verizon company premises ("dispatch in"), a charge set forth in the Pricing Attachment will be assessed per occurrence to **CLEC by Verizon. If as the result of **CLEC instructions, Verizon is erroneously requested to dispatch to a site outside of Verizon company premises ("dispatch out"), a charge set forth in the Pricing Attachment will be assessed per occurrence to **CLEC by Verizon.	
V-3	UNE-P Routing and Billing Should reciprocal compensation provisions apply between AT&T and Verizon for all traffic originating from UNE-P customers of AT&T and terminating to other retail customers in the same LATA, and for all traffic terminating to AT&T UNE-P customers originated by other retail customers in the same LATA?	Section 5.7 sets forth the contract terms and conditions necessary to support AT&T's position on the issues. Refer to AT&T's response to Issue I-5.	Yes. Reciprocal compensation provisions should apply between AT&T and Verizon for all traffic originating from UNE-P customers of AT&T and terminating to other retail customers in the same LATA, and for all traffic terminating to AT&T UNE-P customers originated by other retail customers in the same LATA. This means intraLATA and local calls originated by AT&T UNE-P customers that Verizon subsequently terminates on its own network or hands off to another party for termination, should all be covered by reciprocal compensation arrangements between AT&T and Verizon. Likewise, any intraLATA and local calls delivered by Verizon to AT&T UNE-P customers that are originated by Verizon customers or	**5.7 Reciprocal Compensation Arrangements -- Section 251(b)(5)** **5.7.1** Reciprocal Compensation arrangements address the transport and termination of Local Traffic over the terminating carrier's switch in accordance with Section 251 (b)(5) of the Act. Verizon's delivery of Local Traffic to AT&T that originates with a third party carrier is addressed in Section 7.2. Where AT&T delivers any traffic originating with a third party carrier to Verizon, except as may be set forth herein or subsequently agreed to by the Parties, AT&T shall pay Verizon the same amount that such third party carrier would have paid Verizon for termination of that traffic at the location the traffic is delivered to	Reciprocal Compensation should not apply to all traffic originating from an AT&T UNE-P customer and another third-party facilities based CLEC. AT&T is seeking to substitute reciprocal compensation for the transit traffic charges that Verizon levies upon AT&T for the transit services Verizon provides AT&T. Reciprocal compensation and compensation for transit traffic are meant to compensate LECs for two different services. Under AT&T's proposal, it is unclear exactly how Verizon will be "compensated" by paying reciprocal compensation for calls made and received by AT&T's UNE-P customers. Currently, the OBF is developing a database that will enable carriers to determine the proper originating and terminating

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			are originated by third parties but delivered by Verizon should also be covered by reciprocal compensation. The compensation due between Verizon and the third party would be governed by a separate agreement. It also means that "bill and keep" compensation applies to such UNE-P based calls.	Verizon by AT&T. Compensation for the transport and termination of traffic not specifically addressed in this Section 5.7 shall be as provided elsewhere in this Agreement, or, if not so provided, as required by the Tariffs of the Party transporting and/or terminating the traffic. **5.7.2** Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs. **5.7.3** The Parties shall compensate each other for the transport and termination of Local Traffic in a symmetrical manner at the rates provided in the Detailed Schedule of Itemized Charges (Exhibit A hereto), as may be amended from time to time in accordance with Exhibit A and Section 20 or, if not set forth therein, in the applicable Tariff(s) of the terminating Party, as the case may be. These rates are to be applied at the AT&T-IP for traffic delivered by Verizon, and at the Verizon-IP for traffic delivered by AT&T. Except as expressly specified in this Agreement, no additional charges, including port or transport charges, shall apply for the termination of Local Traffic delivered to the Verizon-IP or the AT&T-IP by the other Party. When Local Traffic is terminated over the same trunks as Toll Traffic, any port or transport or other applicable access	parties when Verizon provides transit services for AT&T and third-party facilities based LECs. Until it does, however, AT&T's proposal only simplifies billing matters for AT&T. Finally, AT&T seeks to use a bill and keep system selectively, only when it benefits AT&T. Under Verizon's proposal each Party is fairly compensated.

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				charges related to the delivery of Toll Traffic from the IP to an end user shall be prorated to be applied only to the Toll Traffic. The designation of traffic as Local or Non-Local Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication. **5.7.4** No Reciprocal Compensation shall apply to Internet Traffic. If the amount of traffic (excluding Toll Traffic) that Verizon delivers to AT&T exceeds twice the amount of traffic that AT&T delivers to Verizon as Local Traffic ("2:1 ratio"), then the amount of traffic that Verizon delivers to AT&T in excess of such 2:1 ratio shall be presumed to be Internet Traffic and shall not be subject to Reciprocal Compensation. **5.7.5** Transport and termination of the following types of traffic shall not be subject to the Reciprocal Compensation arrangements set forth in this Section 5.7, but instead shall be treated as described or referenced below: **5.7.5.1** No Reciprocal Compensation shall apply to special access, private line, or any other traffic that is not switched by the terminating Party. **5.7.5.2** IntraLATA intrastate	

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				alternate-billed calls (e.g., collect, calling card, and third-party billed calls originated or authorized by the Parties' respective Customers in Virginia) shall be treated in accordance with an arrangement mutually agreed to by the Parties. **5.7.5.3** Switched Exchange Access Service and InterLATA or IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of the applicable federal and state Tariffs and, where applicable, by a Meet-Point Billing arrangement in accordance with Section 6.3. **5.7.5.3.1**At such time that the Parties reach agreement upon a mutually acceptable settlement process, the originating Party will receive a credit for reciprocal compensation in those instances: (i) where IntraLATA 8YY Toll Traffic calls are translated by the originating Party prior to delivery by that Party of such traffic to the terminating Party, and (ii) where the terminating Party bills the originating Party Reciprocal Compensation in error for such IntraLATA 8YY Toll	

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Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				Traffic; and (iii) where the originating Party provides appropriate records to the terminating Party to substantiate each requSubsequent to the Effective Date of this Agreement, the Parties shall negotiate a mutually acceptable settlement process for reciprocal compensation credits in accordance with this Section 5.7.7.3.1. **7.2 Tandem Transit Traffic Service ("Transit Service")** **7.2.1** Transit Service provides AT&T with the transport of Tandem Transit Traffic as provided below. Neither the originating nor terminating Customer is a Customer of Verizon. **7.2.2** Transit Traffic may be routed over the Traffic Exchange Trunks described in Sections 4 and 5. AT&T shall deliver each Transit Traffic call to Verizon with CCS and the appropriate Transactional Capabilities Application Part ("TCAP") message to facilitate full interoperability of those CLASS Features supported by Verizon and billing functions. In all cases, each Party shall follow the Exchange Message Interface ("EMI") standard	

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				and exchange records between the Parties. **7.2.3** AT&T shall exercise best efforts to enter into a reciprocal Telephone Exchange Service traffic arrangement (either via written agreement or mutual Tariffs) with any CLEC, ITC, CMRS carrier, or other LEC, to which Verizon terminates Telephone Exchange Service traffic (originated by AT&T) that transits a Verizon Tandem Office. Such arrangements shall provide for direct interconnection by AT&T with each such CLEC, ITC, CMRS carrier or other LEC, without the use of Verizon's Transit Service. **7.2.4** Except as set forth in this Section 7.2.4, Verizon will not provide Tandem Transit Traffic Service for Tandem Transit Traffic that exceeds one (1) DS1 level volume of calls to a particular CLEC, ITC, CMRS carrier or other LEC for any three (3) months in any consecutive six (6) month period or for any consecutive three (3) months (the "Threshold Level"). At such time that AT&T's Tandem Transit Traffic exceeds the Threshold Level, upon receipt of a written request from AT&T, Verizon shall continue to provide Tandem Transit Service to AT&T (for the carrier in respect of which the Threshold Level has been reached) for a period equal to sixty (60) days after the date upon which the Threshold Level was reached for	

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				the subject carrier (the "Transition Period"). During the Transition Period, in addition to any and all Tandem Transit Traffic rates and charges as provided in Section 7.2.6 hereof, AT&T shall pay Verizon (a) a monthly "Transit Service Trunking Charge" for each subject carrier, as set forth in Exhibit A hereto, and (b) a monthly "Transit Service Billing Fee", as set forth in Exhibit A hereto. At the end of the Transition Period, Verizon may, in its sole discretion, terminate Tandem Transit Traffic Service to AT&T with respect to the subject third party carrier, provided however, that if AT&T has (i) exercised its best efforts to enter into a reciprocal Telephone Exchange Service traffic arrangement with such subject carrier; and (ii) through no fault of AT&T such subject carrier has failed to enter into such an arrangement; and (iii) immediately upon the expiration of the Transition Period, AT&T files a petition with the Commission (with a copy provided to Verizon on the same date) to establish reciprocal Telephone Exchange Service traffic arrangements with the subject third party carrier, then Verizon will not terminate the Transit Traffic Service until the Commission has ruled on such petition. If, at the end of the Transition Period Verizon does not terminate the Transit Traffic Service to AT&T, AT&T shall continue to pay Verizon (a) a monthly "Transit Service Trunking Charge" for each subject carrier, as set forth in	

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				Exhibit A hereto, and (b) a monthly "Transit Service Billing Fee", as set forth in Exhibit A hereto. **7.2.5** Except as otherwise provided in Section 7.2.4 hereof, if AT&T does not implement and provide notice to Verizon of the implementation of the reciprocal Telephone Exchange Service arrangement as specified in Section 7.2.3 above within one hundred eighty (180) days of the initial traffic exchange with the relevant third party carrier(s), then, in addition to any and all Tandem Transit Service rates and charges provided for in this Agreement, AT&T shall pay Verizon the monthly Transit Service Billing Fee, as set forth in Exhibit A hereto, for each such carrier in respect of which AT&T has not entered into such an arrangement. **7.2.6** AT&T shall pay Verizon for Transit Service that AT&T originates at the rate specified in Exhibit A, plus any additional charges or costs the terminating CLEC, ITC, CMRS carrier, or other LEC, imposes or levies on Verizon for the delivery or termination of such traffic, including any Switched Exchange Access Service charges. **7.2.7** If or when a third party carrier's Central Office subtends an AT&T Central Office, then AT&T shall offer to Verizon a service arrangement equivalent or the same	

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				as Transit Service provided by Verizon to AT&T as defined in this Section 7.2 such that Verizon may terminate calls to a Central Office of another CLEC, ITC, CMRS carrier, or other LEC, that subtends an AT&T Central Office ("Reciprocal Transit Service"). AT&T shall offer such Reciprocal Transit Service arrangements under terms and conditions no less favorable than those provided in this Section 7.2. **7.2.8** Neither Party shall take any actions to prevent the other Party from entering into a direct and reciprocal traffic exchange agreement with any carrier to which it originates, or from which it terminates, traffic.	
V-4	Should all calls originating and terminating within a LATA be subject to the same compensation arrangements without regard to end-user classification or type of traffic?	Sections 1.68, 5.6.2, 5.6.3 and 5.7 set forth the contract terms and conditions necessary to support AT&T's position on this issue.	Yes. The identity of cost characteristics among the various forms of intraLATA calling should be reflected in a unitary compensation scheme for such traffic. The different rates or compensation schemes for local and toll traffic, and/or for voice and data traffic, are not supported by differences in underlying costs of providing these services. The same facilities are used to complete toll calls as are used to complete local calls. Yet, Verizon charges different rates to competing carriers, depending on whether the call is characterized as "local" or "toll." These types of discrepancies lead to economic inefficiencies and adverse effects on competition. It is clear that all calls	**5.7 Reciprocal Compensation Arrangements -- Section 251(b)(5)** **5.7.1** Reciprocal Compensation arrangements address the transport and termination of Local Traffic over the terminating carrier's switch in accordance with Section 251 (b)(5) of the Act. Verizon's delivery of Local Traffic to AT&T that originates with a third party carrier is addressed in Section 7.2. Where AT&T delivers any traffic originating with a third party carrier to Verizon, except as may be set forth herein or subsequently agreed to by the Parties, AT&T shall pay Verizon the same amount that such third party carrier would have paid Verizon for	As a matter of law, AT&T cannot pay the lower reciprocal compensation rate when it terminates intraLATA toll calls using Verizon's exchange access service. As addressed by this Commission in the *ISP Remand Order*, if telecommunications traffic falls into § 251(g), it is carved out from, and not subject to, § 251(b)(5). As this Commission held in the *ISP Remand Order*, intraLATA toll traffic is carved out from § 251(b)(5). Thus, AT&T is not entitled to LATA-wide reciprocal compensation.

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			originating and terminating within a LATA should be subject to the same compensation arrangements without regard to end-user classification or type of traffic. LATA-wide compensation arrangements ensure fair and equitable compensation for all intraLATA calls as well as simplifying the negotiations process.	termination of that traffic at the location the traffic is delivered to Verizon by AT&T. Compensation for the transport and termination of traffic not specifically addressed in this Section 5.7 shall be as provided elsewhere in this Agreement, or, if not so provided, as required by the Tariffs of the Party transporting and/or terminating the traffic. **5.7.2** Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs. **5.7.3** The Parties shall compensate each other for the transport and termination of Local Traffic in a symmetrical manner at the rates provided in the Detailed Schedule of Itemized Charges (Exhibit A hereto), as may be amended from time to time in accordance with Exhibit A and Section 20 or, if not set forth therein, in the applicable Tariff(s) of the terminating Party, as the case may be. These rates are to be applied at the AT&T-IP for traffic delivered by Verizon, and at the Verizon-IP for traffic delivered by AT&T. Except as expressly specified in this Agreement, no additional charges, including port or transport charges, shall apply for the termination of Local Traffic delivered to the Verizon-IP or the AT&T-IP by the other Party. When Local Traffic is terminated over the	

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				same trunks as Toll Traffic, any port or transport or other applicable access charges related to the delivery of Toll Traffic from the IP to an end user shall be prorated to be applied only to the Toll Traffic. The designation of traffic as Local or Non-Local Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication. **5.7.4** No Reciprocal Compensation shall apply to Internet Traffic. If the amount of traffic (excluding Toll Traffic) that Verizon delivers to AT&T exceeds twice the amount of traffic that AT&T delivers to Verizon as Local Traffic ("2:1 ratio"), then the amount of traffic that Verizon delivers to AT&T in excess of such 2:1 ratio shall be presumed to be Internet Traffic and shall not be subject to Reciprocal Compensation. **5.7.5** Transport and termination of the following types of traffic shall not be subject to the Reciprocal Compensation arrangements set forth in this Section 5.7, but instead shall be treated as described or referenced below: **5.7.5.1** No Reciprocal Compensation shall apply to special access, private line, or any other traffic that is not switched by the terminating	

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				Party. **5.7.5.2** IntraLATA intrastate alternate-billed calls (e.g., collect, calling card, and third-party billed calls originated or authorized by the Parties' respective Customers in Virginia) shall be treated in accordance with an arrangement mutually agreed to by the Parties. **5.7.5.3** Switched Exchange Access Service and InterLATA or IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of the applicable federal and state Tariffs and, where applicable, by a Meet-Point Billing arrangement in accordance with Section 6.3. **5.7.5.3.1**At such time that the Parties reach agreement upon a mutually acceptable settlement process, the originating Party will receive a credit for reciprocal compensation in those instances: (i) where IntraLATA 8YY Toll Traffic calls are translated by the originating Party prior to delivery by that Party of such traffic to the terminating Party, and (ii) where the terminating Party bills the originating	

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				Party Reciprocal Compensation in error for such IntraLATA 8YY Toll Traffic; and (iii) where the originating Party provides appropriate records to the terminating Party to substantiate each request for credit. Subsequent to the Effective Date of this Agreement, the Parties shall negotiate a mutually acceptable settlement process for reciprocal compensation credits in accordance with this Section 5.7.7.3.1	
V-4-a	Should reciprocal compensation provisions apply between AT&T and Verizon for all traffic originating from UNE-P customers of AT&T and terminating to other retail customers in the same LATA, and for all traffic terminating to AT&T UNE-P customers originated by other retail customers in the same LATA?	Sections 1.68, 5.6.2, 5.6.3 and 5.7 set forth the contract terms and conditions necessary to support AT&T's position on this issue.	Yes. All intraLATA and local calls originated by AT&T UNE-P customers that Verizon subsequently terminates on its own network or hands off to another party for termination should be covered by reciprocal compensation arrangements between AT&T and Verizon. Likewise, any intraLATA and local calls delivered by Verizon to AT&T UNE-P customers that are originated by Verizon customers or are originated by third parties but delivered by Verizon should also be covered by reciprocal compensation. The compensation due between Verizon and the third party would be governed by a separate agreement. "Bill and keep" compensation should be applied to such UNE-P based calls to simplify "transit traffic" compensation arrangements.	Same as Issue V-3.	Same as Issue V-3.
V-5	When requested, must Verizon	Sections 11.4 and 11.6 set forth the	Verizon's obligation to provide	**11.4 Unbundled Switching**	In this arbitration of a local

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
	provide customized routing (provided as part of local switching) that directs OS/DA traffic to trunk groups that may commingle traffic from the intrastate and the interstate jurisdictions?	contract terms and conditions necessary to support AT&T's position on this issue	AT&T with customized routing is plainly established under the FCC rules, because customized routing is one of the functions and features of the switch that Verizon is required to make available as part of the local switching element. Moreover, Verizon must make customized routing available to permit CLECs to route traffic to the OS/DA platform of their choice if Verizon seeks to be excused from the obligation to make its own OS/DA available as an unbundled network element. It is irrelevant in either case that some of the traffic to be routed is intraLATA toll rather than local.	**Elements** Subject to the conditions set forth in Section 11.7, Verizon shall make available to AT&T the Local Switching Element and Tandem Switching Element unbundled from transport, local Loop transmission, or other services in accordance with Applicable Law at the rates set forth in Exhibit A. **11.4.1** Local Switching **11.4.1.1** The unbundled local Switching Element includes line side and trunk side facilities (e.g. line and trunk side Ports such as analog and ISDN line side Ports and DS1 trunk side Ports) plus all the features, functions, and capabilities of the switch. Without limiting the foregoing, it consists of the following: (a) line-side Port which includes connection between a Loop termination and a switch line card, telephone number assignment, basic intercept, one primary directory listing, presubscription, and access to 911, operator services, and directory assistance; (b) line and line group features which includes all vertical features and line	interconnection agreement. AT&T is attempting to receive the customized routing of toll traffic. AT&T is improperly seeking to obtain an interexchange service through a local interconnection agreement. Moreover, as this Commission held in the *UNE Remand Order*, ILECs do not need to provide access to their OS/DA as a UNE. Verizon complies with this Commission's mandate, which requires Verizon to provide non-discriminatory access to its OS/DA. AT&T is attempting to circumvent this Commission's previous OS/DA holding in a local interconnection agreement. Finally, it was Verizon's understanding that the Parties had resolved this issue. The Commission should not permit AT&T to litigate an issue the Parties had already agreed upon.

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				blocking options that the switch and its associated deployed switch software is capable of providing and are currently offered to Verizon's local exchange Customers; (c) usage which includes the connection of lines to lines, lines to trunks, trunks to lines, and trunks to trunks; and (d) trunk features which include the connection between the trunk termination and a trunk card. **11.4.1.2** Verizon shall offer, as an optional chargeable feature, daily usage tapes, in accordance with the charges set forth in Exhibit A. **11.4.1.3** AT&T may request activation or deactivation of features on a per-port basis at any time, and shall compensate Verizon for the non-recurring charges associated with processing the order, as such charges are set forth in Exhibit A. AT&T may submit a Bona Fide Request for other switch features and functions that the switch is capable of providing, but which Verizon does not currently provide, or for customized routing of traffic	

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				other than operator services and/or directory assistance traffic. In calculating the applicable prices developed pursuant to the Network Element Bona Fide Request process set forth in Exhibit B, Verizon shall not include in such prices any amount for Right To Use (RTU) fees in those instances where such RTU fees have already been included as a cost element in the rate approved by the Commission for such unbundled Local Switching element. In the case of any dispute with respect to the Network Element Bona Fide Request process under this Section 11.4.1.3, the Parties shall resolve such dispute pursuant to the terms set forth in Section 28.11 hereof. **11.4.1.4** Prior to submitting any order for unbundled Local Switching (as an unbundled network element or in combination with other unbundled network elements), AT&T shall complete the Network Design Request ("NDR") process. Pursuant to the NDR process, Verizon shall provide standardized routing (standardized blocking and office dialing plans) of AT&T Customer traffic in conjunction with the provision of unbundled Local Switching. In addition to standardized routing, AT&T may	

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				select, as part of the NDR process, to route OS/DA traffic to an alternate OS/DA platform at the rates stated in Exhibit A. If AT&T desires other customized routing options, AT&T may submit a Bona Fide Request as provided in Exhibit B. AT&T may also request unbranding/re-branding of OS/DA calls. The rates for unbranding/re-branding stated in Exhibit A shall apply. **11.4.1.5** Exception to BA's Obligation to Provide Unbundled Local Switching **11.4.1.5.1** Notwithstanding any other provision in section 11.4.1 above, BA shall not be required to provide unbundled Local Switching to AT&T when AT&T serves end-users with four (4) or more voice grade (DS0) equivalents or lines ("Exempt End User(s)"), provided that BA complies with the requirements of 47 C.F.R. §51.319(c)(2),as may be amended from time to time. **11.4.1.5.2** In the event BA elects, in conjunction with its efforts to seek in-region long distance relief in Virginia, to provide unbundled Local Switching	

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				to AT&T when AT&T serves Exempt End Users in any of those areas it is not required to do so pursuant to 47 C.F.R. §319(c)(2), BA agrees to provide unbundled Local Switching at rates mutually agreed-to by the Parties, which agreed-to rates shall supercede those rates associated with unbundled Local Switching set forth in Exhibit A. If the Parties are unable to agree on such rates within thirty (30) calendar days after the beginning of negotiations for same, either Party may seek appropriate relief from the Commission. **11.4.1.5.3** AT&T shall not knowingly order unbundled Local Switching for an Exempt End User. In the event that AT&T submits an order for BA to provision unbundled Local Switching (either alone or in combination with other unbundled Network Elements) to such Exempt End User and either Party discovers that BA has so provided service, BA may charge AT&T a rate to be negotiated for use of the unbundled Local Switching functionality for the affected Exempt End User, or in the	

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				alternative to charge AT&T the applicable Resold Services rates in lieu of the rates for use of all Network Elements and associated services used to provide the affected service to the AT&T Customer. AT&T shall promptly notify BA of any orders submitted by AT&T to provision unbundled Local Switching to an Exempt End User. **11.4.1.5.4** Nothing in this Section 11.4.1.8 shall be construed to limit in any manner BA's obligation to provide unbundled Shared Transport. **11.4.1.5.5** Nothing herein shall preclude AT&T from using its own or third party facilities or BA Resold Services to provide services, in any quantity, to a Customer. **11.4.1.5.6** Nothing herein shall be deemed to relieve BA of its obligation to provide unbundled Local Switching unbundled from transport, local loop transmission, or other services pursuant to Section 271(c)(2)(B)(vi) of the Act.	

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				11.4.2 Tandem Switching **11.4.2.1** The unbundled Tandem Switching Element includes trunk-connect facilities, the basic switching function of connecting trunks to trunks, and the functions that are centralized in Tandem Switches. Unbundled Tandem switching creates a temporary transmission path between interoffice trunks that are interconnected at a BA access Tandem for the purpose of routing a call or calls. **11.4.3 Packet Switching** **11.4.3.1** The Packet Switching capability network element is defined as the basic packet switching function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units, and the functions performed by Digital Subscriber Line Access Multiplexers (DSLAMs), including but not limited to: (i) the ability to terminate copper customer loops (which includes both a low band voice channel and a high-band data channel, or solely a data channel);	

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				(ii) the ability to forward the voice channels, if present, to a circuit switch or multiple circuit switches; (iii) the ability to extract data units from the data channels on the loops, and (iv) the ability to combine data units from multiple loops onto one or more trunks connecting to a packet switch or packet switches. **11.4.3.2** To the extent required by Applicable Law (including without limitation F.C.C. Rule 51.319 (c)(5) as amended from time to time) and subject to the conditions set forth in Section 11.7, Verizon shall provide access to unbundled Packet Switching capability only where each of the following conditions are satisfied: (i) Verizon has deployed digital loop carrier systems, including but not limited to, integrated digital loop carrier or universal digital loop carrier systems; or has deployed any other system in which fiber optic facilities replace copper facilities in the distribution section, (e.g., end office to remote terminal, pedestal or	

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				environmentally controlled vault); (ii) There are no spare copper loops capable of supporting xDSL services AT&T seeks to offer; (iii) Verizon has not permitted AT&T to deploy a Digital Subscriber Line Access Multiplexer in the remote terminal, pedestal or environmentally controlled vault or other interconnection point, nor has AT&T obtained a virtual collocation arrangement at these subloop interconnection points; and (iv) Verizon (the ILEC) has deployed packet switching capability for its own use. **11.6 Operations Support Systems** Subject to the conditions set forth in Section 11.7 below and Schedule 11 of this Agreement, Verizon shall provide AT&T with access via electronic interfaces to databases required for pre-ordering, ordering, provisioning, maintenance and repair, and billing as soon as practicable. All such transactions shall be submitted by AT&T through such electronic interfaces unless otherwise agreed to	

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				by the Parties. **A** Operator Service and Directory Assistance Service **A.1** To the extent required by Applicable Law and pursuant to FCC Rule 51.319(f), Verizon shall provide nondiscriminatory access to Operator Services and Directory Assistance on an unbundled basis to AT&T for the provision of a Telecommunications Service only where Verizon does not provide, upon request by AT&T, customized routing or a compatible signaling protocol of OS/DA. Operator Services ("OS") are any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call. Directory Assistance ("DA") is a service that allows subscribers to retrieve telephone numbers of other subscribers.	
V-6	Under what terms and conditions must Verizon provide AT&T with access to local loops when Verizon deploys Next Generation Digital Loop Carrier (NGDLC) loop architecture?	Section 11.2 of AT&T's proposed agreement set forth contract terms and conditions that are necessary and appropriate to assure that AT&T may access an entire loop when Verizon deploys NGDLC architecture.	Verizon must provide access to an entire loop, regardless of the loop architecture it deploys. Thus, AT&T is entitled to obtain access to an entire loop as an unbundled network element wherever Verizon deploys NGDLC architecture, including all	**11.2.13.4** AT&T may only access the high frequency portion of a Loop in a Line Sharing arrangement through an established Collocation arrangement at the Verizon Serving Wire Center that contains the End Office Switch	AT&T seeks to impose unbundling requirements for fiber-fed loops beyond those of the Act and Commission rules. The term "Next Generation Digital Loop Carrier," has various meaning, and it is unclear to Verizon precisely to what AT&T seek

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			functionalities Verizon has deployed at remote terminals. In addition, if Verizon changes the loop architecture it uses to serve an existing customer of AT&T advanced data services, Verizon may not diminish any of the capabilities of the existing loop used to provide service to such customer.	through which voice grade service is provided to Verizon's Customer. AT&T is responsible for providing a splitter at that Wire Center that complies with ANSI specification T1.413 which employs Direct Current ("DC") blocking capacitors or equivalent technology to assist in isolating high bandwidth trouble resolution and maintenance to the high frequency portion of the frequency spectrum, and is designed so that the analog voice "dial tone" stays active when the splitter card is removed for testing or maintenance through one of the splitter options described below. AT&T is also responsible for providing its own Digital Subscriber Line Access Multiplexer ("DSLAM") equipment in the Collocation arrangement and any necessary Customer Provided Equipment ("CPE") for the xDSL service it intends to provide (including CPE splitters, filters and/or other equipment necessary for the end user to receive separate voice and data services across the shared Loop). Two splitter configurations are available. In Configuration Options 1 and 2, the splitter must be provided by AT&T and must satisfy the same NEBS requirements that Verizon imposes on its own splitter equipment or the splitter equipment of any Verizon affiliate. AT&T must	access. The Commission should reject AT&T's attempt to bypass current rules and the Commission's newly initiated rulemaking proceeding on this very issue. AT&T's attempts to require Verizon to deploy a new architecture under certain circumstances are inconsistent with the Act, and must be rejected. AT&T likewise seeks to expand the definition of a loop beyond that adopted by the Commission. Presumably, AT&T seeks to implement its preferred method of receiving access to the high frequency portion of a loop served by fiber-fed digital loop carrier immediately, ignoring the technical and operational implications of its proposals. The Commission has initiated further proceedings to address the various methods by which CLECs can access the unbundled high frequency portion of the loop where an ILEC has deployed fiber in the loop (e.g., where the loop is served through a fiber-fed DLC at a remote terminal), and this issue should be litigated in the pending rulemaking, not in the context of an interconnection agreement arbitration between two parties.[4] In the meantime, Verizon's contract language permits AT&T to access the high frequency portion of a loop served by DLC equipment in

[4] *See* Verizon's line sharing discussion in response to Issue III-10 above and its comments filed in the *Advanced Services* Proceeding in Exhibits D.